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FISCAL IMPACT STATEMENT

LS 6991

BILL NUMBER: SB 333

NOTE PREPARED: Mar 23, 2006

BILL AMENDED: Mar 14, 2006

SUBJECT: Professional Licensing.

FIRST AUTHOR: Sen. Dillon

FIRST SPONSOR: Rep. T. Harris

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill has the following provisions:

Veterinarians: This bill requires a person who has failed the veterinarian examination three times to take remedial education before being allowed to retake the examination.

Continuing Education: This bill establishes certain continuing education requirements that apply to all professions that require continuing education.

Licensed Professionals' Social Security Numbers: The bill requires certain licensed professionals to provide the Professional Licensing Agency (Agency) or the State Department of Health with the person's Social Security number. This bill allows the Agency or the State Department of Health to release Social Security numbers to testing services and state boards and professional organizations. The bill establishes uniform professional license reinstatement requirements.

School Psychologists: The bill amends the definition of "school psychology" to include certain referrals to speech-language pathologists, audiologists, and occupational therapists.

International Medical Graduates Pilot Program: The bill requires the Medical Licensing Board to establish a seven-year pilot program for training international medical graduates who are attending medical schools that have not been approved by the Board.

Barbering and Cosmetology: This bill requires barbering and cosmetology schools to administer the practical

examination. The bill removes barber health certificate requirements.

Medical Licensing Board: This bill allows the Medical Licensing Board to establish conditions to reactivate a physician's license.

Definition of "Cosmetology": The bill amends the definition of "cosmetology" to include certain acts performed on a person's torso.

Manufactured Home Installers: This bill allows the Professional Licensing Agency to set a uniform renewal date for licensed manufactured home installers.

Optometry: The bill transfers the duties of the Optometric Legend Drug Prescription Advisory Committee to the Optometry Board. The bill requires that providing a patient with a contact lens prescription must comply with federal law.

Private Detectives: This bill removes the private detectives' licensure exemption for certain law enforcement officers.

Psychology Temporary Permits: The bill establishes a limited scope temporary psychology permit.

Real Estate Brokers: This bill requires a person who passes the real estate salesperson examination or broker examination to apply for a license within one year.

Speech-Language Pathologists: The bill allows the issuance of a renewal license to certain speech-language pathologists who are not currently licensed.

Repeal of Existing Professional Licensing Law & Technical Changes: The bill repeals: provisions concerning license reinstatement; temporary barbers and cosmetology licenses; master cosmetologist licenses; shampoo operator licenses; and cosmetology continuing education; an expired provision concerning hearing aid dealers; and nonconforming continuing education provisions. This bill makes technical and conforming amendments.

Effective Date: July 1, 2005 (retroactive); Upon passage; July 1, 2006.

Explanation of State Expenditures: *Continuing Education:* The bill would unify procedures for the Professional Licensing Agency to audit, notify practitioners, and assess civil penalties for the noncompliance with continuing education requirements. The provision could reduce the time and expense involved with the process of noncompliance cases.

Barbering and Cosmetology: The bill would allow applicants for a barber or cosmetology license to take their practical examination at their respective school and not at a board facility. This provision could reduce expenditures of these respective boards.

The written examination for barbers and cosmetology license applicants would be allowed to be offered by computer. Assuming new examination questions would not need to be developed, the cost to offer the examination via a computer should be able to be self-funded through applicant fees.

Additionally, the bill would repeal the master cosmetologist license and shampoo operator's license. The bill

would also remove continuing education requirements from cosmetologists.

The Agency collected \$102,107 in barber license fees and \$907,715 in cosmetology fees in FY 2005.

International Medical Graduates Pilot Program: The impact on the Medical Licensing Board expenditures to establish the pilot program would depend on administrative action. The pilot program would expire December 31, 2013.

The Board should be able to implement the program given its existing level of resources. However, should additional staff be needed, staff resources could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations.

Background Information: The Professional Licensing Agency provides staff support for the health professions boards. As of February 20, 2006, the Agency had 18 vacancies with salaries valued at \$387,600. The Agency reverted \$81,600 in FY 2005.

Optometry: There would be a savings to the state if the Optometric Legend Drug Prescription Advisory Committee were repealed. Each member of the Committee who is not a state employee is entitled to a salary per diem and travel reimbursement.

Explanation of State Revenues: *Continuing Education:* Given that the bill would unify procedures for the Agency to assess civil penalties for the noncompliance with continuing education requirements, it is not likely the number of civil penalties assessed under this provision would be greater or less than penalties assessed under current law for continuing education noncompliance.

International Medical Graduates Pilot Program: If a pilot program were to generate additional applications for licensure, the Medical Licensing Board could experience an increase in licensing revenue. The impact to state revenues would depend on the number of approved primary care residency programs by the Board. Each program would be limited to two medical school graduates under the bill.

Background: The Board charges a \$250 licensing fee for physicians and \$100 for temporary medical permits. The Board's licensing activities generated \$4.8 M in revenue in FY 2005. All revenue generated from licensing activities is deposited in the state General Fund.

Speech-Language Pathologists: This provision could increase revenue received by the PLA from renewal license fees. The renewal fee is currently \$100. There are 1,896 licensed speech-language pathologists according to 2005 Professional License Agency data. In FY 2005, \$34,645 in speech-language pathologist fees were collected and placed into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Medical Licensing Board; Professional Licensing Agency.

Local Agencies Affected:

Information Sources: *Indiana Handbook of Taxes, Revenues, and Appropriations*; Indiana Auditor of State *Revenue Trial Balance*, June 30, 2005; Professional Licensing Agency.

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